

MINUTES
State Allocation Board
April 26, 2006

Upon notice duly given, the monthly meeting of the State Allocation Board was held in Room 2040 of the State Capitol in Sacramento, California on April 26, 2006 at 4:00 p.m.

Members of the Board present were as follows:

- Anne Sheehan, Chief Deputy Director, Policy, Department of Finance, designated alternate for Michael Genest, Director, Department of Finance
- Ron Joseph, Director, Department of General Services
- Kathleen Moore, Director, School Facilities Planning Division, California Department of Education, designated representative for Jack O'Connell, Superintendent of Public Instruction
- Rosario Girard, President and CEO, Phoenix Construction Services, Inc., appointee of Arnold Schwarzenegger, Governor of the State of California
- Senator Bob Margett
- Senator Alan Lowenthal
- Senator Jack Scott
- Assembly Member Gene Mullin

Members of the Board absent were as follows:

- Assembly Member Lynn Daucher
- Assembly Member Jackie Goldberg

Representatives of the State Allocation Board (SAB) were as follows:

Luisa M. Park, Executive Officer
Mavonne Garrity, Assistant Executive Officer

Representatives of the Department of General Services, Office of Public School Construction (OPSC), were as follows:

Luisa M. Park, Executive Officer
Lori Morgan, Deputy Executive Officer

Representative of the Department of General Services, Office of Legal Services, was as follows:

Garry Ness, Assistant Chief Counsel

With a quorum present, Anne Sheehan, Chair, called the meeting to order at 4:07 p.m.

PRIOR MINUTES

A motion was made and carried to approve the Minutes for the March 22, 2006 SAB meeting.

EXECUTIVE OFFICER'S STATEMENT

The Executive Officer informed the Board of the following items:

- Modernization projects received through November 22, 2005 were recommended for apportionment, which exhausted the modernization funds. Modernization projects received November 23, 2005 and after will be placed on an unfunded list until funds become available. There were 34 projects that were recommended for unfunded approvals and placed on the unfunded list totaling approximately \$50 million.
- There were 37 Emergency Repair Program (ERP) projects recommended for funding approval, which represented approximately \$1.8 million in funding. The OPSC received over 400 applications for the ERP, totaling an estimated \$10 million that will be processed and presented at a future SAB meeting. Additionally, the OPSC has been working with school districts to preliminarily review future applications totaling an estimated \$7 million.

The Board complimented staff for providing the necessary outreach associated with the ERP so that school districts understand what types of projects are allowable under the program.

CONSENT ITEMS

In considering this item, the Board approved the consent calendar as presented. However, Ms. Kathleen Moore abstained from voting on the Elk Grove Unified School District agenda items but voted on all others. The Board questioned whether or not another round of charter school funding would happen due to a rescission of a charter school apportionment (in the amount of \$28 million) in the Agenda. The Executive Officer stated that the staff would be monitoring that over the next few months to determine if other charter rescissions occur. Then based on the activity, staff would present an item inquiring if the Board wished to open up another funding period to fund additional charter schools.

FINANCIAL REPORTS***Status of Funds***

The Board accepted the Status of Funds report as presented.

SPECIAL CONSENT ITEMS***Konocti Unified/Lake 52/64022-00-03***

In considering this item, the Board approved the staff's recommendation.

SPECIALS/APPEALS

Sequoia Union High/San Mateo 57/69062-00-Various

This item was withdrawn.

Ontario-Montclair/San Bernardino 50/67819-00-01

This item was withdrawn by the District.

Santa Ana Unified/Orange 50/66670-00-08

In considering this item, the Board approved the staff's recommendations.

State School Construction Funding Requirements

In considering this item, the Board approved the staff's recommendations.

State Relocatable Classroom Program Chargeability

In considering this item, the Board approved the staff's recommendation. However, Senator Margett abstained from voting on this item.

Financial Needs of the State Relocatable Classroom Program

In considering this item, the Board approved the staff's recommendations.

REGULATIONS

Re-Designation of Energy Funds

In considering this item, the Board approved the staff's recommendations.

REPORTS

Adequacy of New Construction Grants

Mr. Tom Duffy, representing the Coalition for Adequate School Housing, and Mr. Dave Doomey, representing the Capistrano Unified School District, addressed the Board regarding the construction cost issue for building schools. The Board accepted the report and staff's recommendation to bring a report back to the Board when the analysis of the entire funding model is complete. In addition, the Board requested staff to present a proposal and recommendations regarding general site development additional grants to the Board at the May SAB meeting.

INFORMATION/REFERENCE

SAB Meeting Dates for the Calendar Year 2006

School Facility Program Workload List - Applications Received Through March 29, 2006

Facility Hardship/Rehabilitation Approvals Without Funding List as of March 22, 2006

MISCELLANEOUS

Mr. Dave Walrath, representing the Small School Districts Association, addressed the Board concerning two issues: 1) that modernization has the same types of cost increases as new construction; and 2) consideration for an adjustment to the modernization grants for compliance with Americans with Disabilities Act.

CLOSED SESSION

In accordance with Section 11126(a)(1) of the Government Code, the Board adjourned to a closed session for the purpose of discussing a matter related to personnel.

Upon conclusion of the closed session, the Board reconvened into open session at 5:12 p.m.

ADJOURNMENT

There being no further business to come before the Board, the Chair adjourned the meeting at 5:13 p.m.

LUISA M. PARK, Executive Officer